

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

The Financial Oversight and Management Board for
Puerto Rico,

as representative of

The Commonwealth of Puerto Rico,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**JOINDER OF THE OPPENHEIMER FUNDS TO OBJECTION OF THE
AD HOC GROUP OF GENERAL OBJECTION BONDHOLDERS TO THE
URGENT JOINT MOTION FOR ENTRY OF ORDER APPROVING
STIPULATION AND AGREED ORDER BY AND AMONG FINANCIAL
OVERSIGHT AND MANAGEMENT BOARD, ITS SPECIAL CLAIMS
COMMITTEE, AND OFFICIAL COMMITTEE OF UNSECURED CREDITORS
RELATED TO JOINT PROSECUTION OF DEBTOR CAUSES OF ACTION**

Certain funds managed or advised by OppenheimerFunds, Inc. (the “**Oppenheimer Funds**”)² respectfully submit this joinder to the objection to the *Urgent Joint Motion for Entry of Order Approving Stipulation and Agreed Order* (the “**Stipulation**”) by and Among Financial Oversight and Management Board, Its Special Claims Committee, and Official Committee of Unsecured Creditors Related to Joint Prosecution of Debtor Causes of Action

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² The Oppenheimer Funds purchase and hold municipal bonds on behalf of hundreds of thousands of ordinary investors across the United States and Puerto Rico who invest to save for important life expenses. For more than 30 years, the Oppenheimer Funds have invested capital into the Commonwealth and its instrumentalities, which has allowed Puerto Rico to finance billions of dollars of infrastructure projects, public facility construction projects, and other capital needs. The Oppenheimer Funds collectively hold more than \$500 million of GO Bonds, including more than \$75 million of Challenged GO Bonds.

[Dkt. No. 6305] (the “**Motion**”) dated April 16, 2019 filed by the Ad Hoc Group of General Objection Bondholders (the “**Ad Hoc Group Objection**”).

JOINDER

The Oppenheimer Funds join the Ad Hoc Group Objection and object to the Motion and Stipulation for the legal reasons set forth therein. Like the Ad Hoc Group, the Oppenheimer Funds are greatly concerned about the additional cost and expense that the Stipulation would force Puerto Rico to bear, first in appointing dual “plaintiffs” to pursue causes of action and second in giving the Committee essentially unfettered power to bring any and all avoidance actions, without the ability for the Court to use its discretion under Section 926 to determine whether a trustee should be appointed to pursue claims that the Oversight Board does not intend to pursue.

The Oppenheimer Funds are also concerned about the lack of clarity in the Stipulation as to how particular causes of action will be treated and whether the Oversight Board retains full power to enter into settlements for the benefit of Puerto Rico. The Stipulation states that the Oversight Board and Committee have compiled “Schedules” of identified claims and causes of action that they will jointly pursue, but those Schedules have not been filed with the Court, and the Stipulation would grant the Committee the right to file these unspecified, unlimited claims or causes of action. While the Stipulation purports to provide the Oversight Board with continuing authority to settle claims – even claims that the Committee is pursuing on its own – it is unclear whether, as a practical matter, the Oversight Board will have the ability to settle disputes that another party is prosecuting.

At a minimum, the Oppenheimer Funds request that this Court set a more appropriate briefing schedule. Creditors need more time to comment on the proposed procedures

in the Stipulation and come to a reasonable solution with the Oversight Board and the Committee on this issue.

CONCLUSION

For the reasons set forth above, the Motion and the Stipulation should not be approved.

We hereby certify that, on this same date, we electronically filed the foregoing with the clerk of the Court using the CM/ECF system, which will notify the attorneys of record.

RESPECTFULLY SUBMITTED,

In San Juan, Puerto Rico, today April 17, 2019.

TORO COLÓN MULLET P.S.C.

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